NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) -- Paid Up With 640 Acres Pooling Provision STANDARD LEASE v.5

THIS LEASE AGREEMENT Is made this 27+4



## PAID UP OIL AND GAS LEASE

(No Surface Use)

\_, 2008, by and belween

day of June

James Franklin Hummel and WIFF, Alleen Saplan Hummel

ment, Date PROPERTY SERVICES, LL-C. 200 Rates Around. Suite 1110. (Allean Lates 1254), all kannées. All privated providens of the timbes were proported by the pastry the relationship of the control of	whose addresss is 2808 Bornar Avenue, Fort Worth Texas 7616	3 Lessor,
. In constantant and a cash borus in hand paid and the coverants herein confining, Learner hereby grants, issues and lete sectumbely to Learner the following describation control control promises.  **Note:** SPEARANC HOLDER**  **NOTITE SPEARANC HOLDER**  **TARRANT COUNTY, TEXAS, ACCORDING TO THAT CORTAIN PLAT RECORDED IN VOLUME 3001.  **PAGE II.**  **TARRANT COUNTY, TEXAS, ACCORDING TO THAT CORTAIN PLAT RECORDED IN VOLUME 3001.  **Note:**N	and, DALE PROPERTY SERVICES, L.L.C., 2100 Rosa Avenue, Suite 1870 Dallas Texas 76201, as Lessee. All print	ted portions of this lease were prepared by the party
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depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for a gas well or horizontal completion to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barret and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet or more per barret, based on 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and the term "horizontal completion" means an oil well in which the horizontal component of the gross completion interval in facilities or equivalent testing equipment; and the term "horizontal completion" means an oil well in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical component thereof. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and staling the effective date of pooling. Production, drilling or reworking operations on the leased premises, except that the production on which Lessor's royalty is calculated shall be that proportion of unit production is sold by Lessee. Poolin		,,
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- 7. If Lessor owns less than the full mineral estate in all or any part of the leased premises, the royalties and shut-in royalties payable hereunder for any well on any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's interest in such part of the leased premises.
- such part of the leased premises.

  8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest and failure of the transferree to satisfy such obligations with respect to the transferred interest and failure of the transferree to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease, the obligation of th
- It lesses relates sail or an undivided interest in less than all of the area covered hereby, Lesses e obligation to pay or treatment surfaces and in an accordance with the net acreage interest retained hereunder.

  10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or emhanced recovery, Lesses shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the citilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produces, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produces, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas water and/or other substances produced on the leased premises except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancitlary rights granted herein shall apply (a) to the entire leased premises as authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in which Lessor has been such as a support of the leased premises or such other lands, and to commercial timber and growing prospections. Lessee shall bury its pipelines below ordinary plow depth on outhwated lands. No well shall be passed premises or such other lands, and to commercial elimber a

- situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

  15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or lifens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

  16. Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other operations.
- operations.
- 17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

  DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Les

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Instrument was acknowledged before me on the meS Frankin Humme! COUNTY OF day of 2008. MARIA MUNOZ PADILLA ptery Public, State of Texas My Commission Expires Noter Public, State of JIKOS Notary's name (printed) October 05, 2011 Notary's commission expires: STATE OF COUNTY OF 1 argant was acknowledged before me on the \_day of \_

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MARIA MUNOZ PADILLA Notary Public, State of Texas My Commission Expires October 05, 2011



DALE RESOURCES 3000 ALTA MESA BLVD # 300

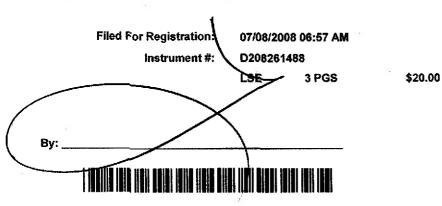
**FT WORTH** 

TX 76133

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

## <u>DO NOT DESTROY</u> WARNING - THIS IS PART OF THE OFFICIAL RECORD.



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ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

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